APPENDIX IX.

[Vide answer to starred question No. 61 asked by Sri K. Sattanatha Karayalar at the meeting of the Legislative Assembly held on 29th March 1961, page 372 supra.]

Recommendations of the Conference of State Transport Commissioners and Controllers at Mussoorie in 1957.

Recommendation of the Conference. (1)	Steps taken by this Government to implement recommendation. (2)
1. Efforts should be made to popularize the use of wheel with wider steel rims, instead of pneumatic tyres.	The Government of India sanctioned Rs. 250 for popularizing the use of wheels with wider steel rims. With this amount, seven pairs of wheels were purchased and distributed to the villagers through the Project Executive Officer, Gandhigram. Only two pairs have been utilized and the rest were returned by the villagers as they were not willing to make use of them. The Government of India were therefore informed that this kind of wheel does not seem to find favour with rural people in this State.
2. There should be no restrictions on the movement of goods vehicles within the State. The State Government should enter into mutual agreements for movement of vehicles on inter-State routes.	So far as the movement of goods vehicles within this State is concerned, their area of operation has been widened. Hitherto, a permit was valid for operation within the district in which it was granted. Now, as an experimental measure, this State has been divided into four zones, as follows :— (*a*) Area comprising the City of Madras, Chingleput and North Arcot districts. (*b*) Area comprising the Tiruchirappalli, Thanjavur and South Arcot districts. (*c*) Area comprising the Coimbatore, Nilgiris and Salem districts.

(*d*) Area comprising the Madurai, Ramanathapuram, Tirunelveli and Kanyakumari districts.

A lorry in respect of which a public carrier permit has been granted can move freely within the zone.

As regards reciprocal arrangements regarding movement of goods vehicles on inter-State roads, reciprocal arrangements for such movement have been made with the Governments of Andhra Pradesh, Mysore and Pondicherry States. As regards the inter-State routes between Madras and Kerala, the matter is under correspondence with that Government.

3. Amendments to be made to Road Transport Corporation Act, 1950.	There is no Road Transport Corporation in this State and hence no action has been taken.
4. The Ministry of Transport and Communications should formulate rules for the standardization of bodies for motor cycle rickshaws and circulate them to State Governments for guidance.	The draft rules relating to standardization of bodies for motor cycle rickshaws have been received from the Government of India. These are being examined in consultation with the Transport Commissioner, Madras.
5. The State Transport Authorities should take necessary steps to remove all restrictions on the movement of vehicles chartered by tourists and other parties for specific purposes as required under the Motor Vehicles Act.	The recommendation of the Conference has been implemented. Orders have been issued by Government prescribing special permits and special distinguishing marks as contemplated in section 63 (6) of the Motor Vehicles Act, 1939, as amended by Central Act 100 of 1956.

Recommendation of the Conference. (1)	Steps taken by this Government to implement recommendation. (2)
6. All the State Governments where the nationalized undertakings were already providing sight-seeing services for tourists should intimate details of the services to the Ministry of Transport and Communications, so that necessary publicity could be given to the existence of such facilities.	The Governments of Andhra Pradesh, Mysore and Kerala have agreed to exempt the vehicles of this State holding the special permits from payment of tax under their Motor Vehicles Taxation Act. Similarly, the vehicles of Andhra Pradesh, Mysore and Kerala holding the special permits are exempt from payment of tax to this State, when they visit this State.
7. A ceiling of 75 per cent of the total existing Madras rate should be fixed for motor vehicles taxation and indirect taxes should be progressively eliminated. Efforts should be made to consolidate all taxes on motor vehicles levied by State Governments into one tax and the number of collecting agencies should be reduced. So far as sales tax on motor fuel, motor vehicles, spare parts, tyres, ete, were concerned, this could be collected by a Central Agency and distributed to the State Government on a proportionate basis. This would result in uniformity in the rates of sales tax besides reduction of collection charges.	Excursion specials are run by the Madras State Transport Department between Madras and Mahabalipuram. A luxury coach specially constructed for the use of tourists is also available with that department. Messrs. Southern Roadways, Madurai, have four luxury coaches and they have been granted contract carriage permits to ply within the State to enable tourists to visit important places. The above information has been furnished to the Government of India, Ministry of Transport and Communications.
8. The Taxation Enquiry Commission had recommended that, where the rates of motor vehicles tax were low, a tax on passengers and goods might reasonably be levied but where the motor vehicles tax was itself very high, the levy of a separate tax on passengers and goods would be unjustifiable.	This Government did not agree to the fixation of a ceiling for motor vehicles taxation as the roads in this State are maintained at a high standard at considerable cost. This Government did not also agree to the consolidation of all taxes levied by this Government and also to the collection of sales tax by a Central Agency, since levy of sales tax on motor fuel, motor vehicles, spare parts, etc, is a statutory function exercised by the Government and cannot be entrusted to a Central Agency.

The Conference accepted the recommendation of the Taxation Enquiry Commission, provided the ceiling of 75 per cent of the total existing Madras rates, which included all the different rates on motor vehicles was maintained.	The Government of India were informed about the decisions referred to above. This question was again discussed at the recent meeting of the Transport Development Council. The Transport Development Council have agreed with the views of this Government.
9. Based on the recommendation of the Taxation Enquiry Commission the Conference recommended that the wheel tax should be merged with the motor vehicles tax and that the State Governments should consider adding the amounts due to the local bodies on account of wheel tax on motor vehicles, etc, to the annual subsidies or subventions given by them to these bodies.	The Madras Motor Vehicles (Taxation of Passengers and Goods) Act, 1952, was enacted by this Government with a view to collect a tax on the fares and freights collected from passengers in stage carriages and freight levied on goods carried in goods vehicles. This policy is continued. No wheel tax is levied.
The Conference endorsed the principle of single-point taxation and urged the State Governments to abolish double taxation as early as possible.	This Government have not accepted the proposal for the leavy of single point tax on vehicles plying on inter-State routes as it will involve loss in revenue of this State to an appreciable extent. This question was again discussed at the recent meeting of the Transport Development Council. The Transport Development Council urged on the State Governments to put the single point into effect without further delay. This question is being examined.
11. The State Governments which had not so far ratified the model principles for drawing up reciprocal agreements for operation of transport services on inter-State routes, should do so without any reservation so that inter-State motor vehicles traffic might develop to the fullest extent.	This Government had already ratified this conclusion in 1956.

Recommendation of the Conference. (1)	Steps taken by this Government to implement recommendation. (2)
12. The Conference recommended moratorium on nationalization of goods transport until the end of the Third Five-Year Plan period.	This Government ratified the decision.
13. The Conference recommended liberalization of the licensing policy of the State Governments and other measures to increase the number of vehicles on the road.	This Government agreed to an increase by 25 per cent. Orders had already been issued in November 1955, directing that Regional Transport Authorties may increase the maximum number of public carrier permits as it stood on 15th July 1955 by 25 per cent with immediate effect. As regards stage carriages, orders were issued in January 1957, directing the Regional Transport Authorties to examine the strength of the buses operating on routes that are coveted and to increase the existing strength by such number as they considered necessary in the public interest. The progress made in this regard is being watched by quarterly progress reports prescribed for the purpose.
14. The State Governments should agree to work the Pilot Scheme for setting up goods Transport Co-operative Societies.	This Government have agreed to the Pilot Scheme formulated by the Government of India for setting up a Transport Co-operative Society for goods vehicles in this State. The object of the scheme is to provide employment to the educated unemployed. The society will have ten vehicles to begin with. The details of the scheme have been worked out in consultation with the Registrar of Co-operative Societies and the Transport Co-operative Societies and the Transport Commissioner, Madras. Rules have been framed in respect of the scheme and they are under scrutiny of Government. Steps are being taken to implement the scheme in this State.

15. The Conference suggested that measures should be taken by State Governments for popularising truck trailer combinations.	Directions have been issued to the Regional Transport Officers and the Secretary, Regional Transport Authority, Madras, that a truck as well as the trailer, may be permitted to carry nine tons each, subject to certain restrictions.
16. The question of reconstitution of the Transport Advisory Council, consequent on the reorganization of States, was under the consideration of the Ministry of Transport. A reference would be made to the States in due course.	The Government of India have reconstituted this Council. It is now called Transport Development Council.
17. The Conference approved certain broad principles which could serve as a basis for negotiation of agreements for the operation of motor vehicles between India and foreign countries.	This was accepted.
18. The Conference felt that the levy of octroi under the present system caused considerable incovenience to the operators inasmuch as the vehicles were held up for long periods unnecessarily and that this should be brought to the notice of the State Governments who should devise methods by which the evil could be eradicated.	There is no such duty in vogue in this State.
19. The proposal of the Bombay Government for regulation of goods transport should be circulated to State Governments and should be brought up for consideration at a later date.	The proposals of the Bombay Government were considered by this Government. The views of this Government have been communicated to the Government of India.